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S E C R E T SECTION 01 OF 02 KUWAIT 004562

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NSC FOR HINNEN; DOE FOR IE; STATE FOR S/CT, PM/PPA, NEA/ARP, EB/ESC

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TAGS: ENRG PTER EPET KU OIL SECTOR

SUBJECT: CRITICAL ENERGY INFRASTRUCTURE: NEXT STEPS ON USG

- KUWAITI COOPERATION

REF: A. KUWAIT 4506

¶B. KUWAIT 4507
¶C. KUWAIT 4425

1D. KUWAIT 3071

¶E. 05 KUWAIT 4400

Classified By: DCM Matt Tueller for reasons 1.4 (b) and (d).

11. (S/NF) On 29 November, Econoff met with Ali Al-Obaid, Deputy Chairman of Kuwait's Oil Sector Services Company (OSSCO) to discuss opportunities to expand USG-GOK cooperation to enhance the security of Kuwait's critical energy infrastructure. OSSCo is a new subsidiary of Kuwait Petroleum Corporation (KPC) that has been tasked with assuming oil sector security responsibilities for all of the KPC subsidiary companies. Currently, each subsidiary (including Kuwait Oil Company, Kuwait National Petroleum Company, Petrochemical Industries Company, and others) maintains responsibility for most of its own security. Econoff conveyed that APHSCT Townsend had appreciated the energy sector security briefing and tour of security features at Kuwaiti refineries on 14 November (Ref A). Econoff also explained that President of the National Security Bureau and former Energy Minister Shaykh Ahmed Al-Fahad had expressed interest in USG assistance on Kuwait's energy infrastructure security in separate meetings with Townsend (Ref B) and with the Ambassador (Ref C).

OSSCo Gradually Consolidating Security Responsibilities

¶2. (S/NF) Al-Obaid said that OSSCo was still in the early stages of assuming its security mandate. He expects the entire process to take between 18 months and two years. the mean time, OSSCo is acting in a limited capacity as coordinator of security functions and activities across the various KPC subsidiaries through the KPC Higher Security Committee which is chaired by OSSCo Chairman Shaykh Talal Al-Khalid Al-Sabah. Al-Obaid suggested that Post communicate directly with Shaykh Ahmed of the NSB to determine what should be the next steps in bi-lateral cooperation on energy infrastructure security. Al-Obaid did emphasize, however, that he thinks the Kuwaitis already have all the help and expertise they need with regard to vulnerability assessments, proposals for new equipment and systems, and tactical advice from reputable private sector consultants and suppliers. Al-Obaid said that what Kuwait most needs at this point is advice and assistance regarding long-term strategic planning. He said this was the area in which the USG could offer the most value. Al-Obaid also said OSSCo would welcome intelligence sharing from the USG since, he said, useful intelligence generally stagnates at the ministerial level

rather than filtering down to the managerial level. (Note: these last two statements echo remarks that Al-Obaid made to Econoff in August (Ref D).

NSB - Best Point of Contact to Plan and Coordinate Efforts

13. (S/NF) Al-Obaid explained that energy infrastructure security responsibilities are still effectively divided among KPC, the Vital Installations Security Group at the Ministry of Interior, and the Security Decision Follow-up Committee, an inter-ministerial group made up of senior and retired officers from the NSB, Army, National Guard, and Police which expedites the implementation of security upgrades and reports directly to the Cabinet. Al-Obaid indicated that Shaykh Ahmed of the NSB would be the single point of contact best able to direct and coordinate the efforts of each of these different groups.

Several Security Enhancements in the Works

¶4. (S/NF) According to Al-Obaid, OSSCo meets frequently with security consultants offering recommendations and security equipment contractors hawking their wares. OSSCo's lead consultant is Global Village, a British company. Al-Obaid outlined a list of OSSCo's near-to-medium term plans which include: canine units at each of the gates to the refineries, an additional layer of hydraulic vehicle barriers for inbound and outbound traffic, new concrete watchtowers around the perimeters of the refineries, development of a KPC patrol boat force (in addition to the Coast Guard) to protect seaward approaches to energy infrastructure, installation of a comprehensive sonar system and underwater barriers to

KUWAIT 00004562 002 OF 002

prevent attacks by divers, and the purchase of remote-controlled jet skis capable of launching sound grenades and nets. Al-Obaid clarified that OSSCo has not yet signed contracts for any of these projects. OSSCo has, however, already graduated 473 security guards from a new 9-month training program and expects to graduate an additional 225 in three months. (For additional detail on the condition and organization of Kuwait's critical energy infrastructure, see Refs D and E.)

TDY DOE Expert in Riyadh

¶5. (S/NF) During a November 20 secure video conference organized by S/CT, participants discussed infrastructure security planning work being done with Saudi Arabia, including an initiative to bring a Department of Energy representative with relevant expertise to the region for a long-term TDY assignment based in Riyadh. It would make sense to consider whether Kuwait, with its very similar infrastructure issues, could be included in the scope of this mission.

For more reporting from Embassy Kuwait, visit: http://www.state.sgov.gov/p/nea/kuwait/?cable s

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